# Online Conference Call of Nan Ya PCB Corp.



January 26<sup>th</sup> 2022

## Disclaimer

The description of historical events might include the information that was not reviewed by accountants. Thus, it might be insufficient to fully exhibit the financial status or operation results of Nan Ya PCB Corp.

The actual operation results, financial status, and sales outlook in the future might be different from what will be indicated or implied in this meeting. The reasons may be including but not limited to the market demand, price fluctuation, competition dynamic, global economy, supply-chain, foreign exchange rate, and other risks that the Company cannot control.



Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.



# • Company Profile

- Financial Status
- Future Product Development
- Operational Goals





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### **Company Profile Milestone**



- 1985 : PCB business unit was formed at Nan Ya Plastics Corp. and started manufacturing PCBs
- 1997 : Approved by the Board of Nan Ya Plastics, Nan Ya PCB Corp. was established via reinvestment
- **1999 : Reinvested Nan Ya PCB Kun-shan Company with capital of USD29.8 million**
- **2000 : Started manufacturing wire-bonding substrates**
- **2001 :** Upgraded technologies and produced flip-chip substrates
- **2002 : Established Nan Ya PCB America Corp.**
- **2006 : Listed on Taiwan Stock Exchange with ticker 8046 TT**
- **2013 :** Upgraded technologies and produced Embedded substrates
- **2016 :** Started to produce System in Package (SiP) substrates
- 2019 : In response to market demand, Nan Ya PCB Corp. started to build ABF substrate production line at Kun-shan Campus
- **2021 : Kun-shan Campus started to manufacture ABF substrates**

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# **Financial Status**

#### **Consolidated Revenues(IFRS) in Last 3 Years**





#### Revenues in 2020 were 23.9% greater than those in 2019:

Nan Ya PCB was an early entrant in high-end telecom and SiP substrate fields and benefited from the increase in customer demands, and the 2020 revenues grew significantly from 2019.

# **Revenues in 2021 were 35.9% greater than those in 2020:** Nan Ya PCB was helped by the better IC substrate sales in high-end PC, telecom, AI, and HPC products, and the 2021 performance was better than that in 2020.

# **Financial Status**

**Quarterly Consolidated Revenues(IFRS) in a Year** 



Because the sales of the high-end IC substrates maintained strong in 21Q4, the revenues kept growing regardless of the slow season.

#### **Financial Status Revenue Structure(By Applications)**





Because of better demands in PCs products driven by data centers, work from home, and stay at home entertainment related revenue ratios in 2021 grew from 2020.

Base stations were impacted by the COVID-19 and the demands were delayed, causing lower telecom sales ratio in 2021.

#### **Financial Status Revenue Structure(By Applications)**





- The sales ratio of automotive and consumer electronics remained flat in 2021. Despite of lower sales ratios, those revenues were still growing because of the greater revenue base.
- Nan Ya PCB has won more AI and HPC product orders. Thus, the revenue ratio of others continued to grow in 2021.

#### **Future Product Development Continue to Expand High Value Products**

#### High-end ABF Substrate

In 2022, we will continue to collaborate with clients to develop high-end substrates for PC, telecom, AI, and HPC. Also, we will keep enhancing advanced manufacturing processes in Taiwan to produce more larger body size, high layer count, and fine line ABF substrates. While in Kunshan, we are aiming to manufacture more matured products and win more business via better cost structures. With cross-strait greater capacities, we could gain more market shares.

#### SiP(System in Package) Substrate

Given the trend of heterogeneous integration remains, SiP technologies will be applied to all sorts of mobile devices. We will continue to produce SiP substrates for new generation wearable devices, camera modules in high-end smartphones, AiP, and optical sensors, as well as AR and VR applications. Our SiP substrate sales are expected to grow.



#### HDI

As the designs of handset, consumer electronics, and automotive electronics are becoming sophisticated, the consumption of high value HDI is increasing. Thus, we will enlarge the high end HDI product ratio to meet the growing demands.

# **Operational Goals**

#### **Management Guidelines**

- Cultivating R&D and manufacturing technology talents to enhance R&D power and add values in products.
- Participating in clients' product design, co-developing products, offering raw data, and sharing manufacturing information to shorten the delivery time.
- In response to the growing trend of 2.5D/3D packaging, we will develop more high-end IC substrates to lift the sales ratio of high value products.
- Continuing to apply AI to operation and management, implementing intelligent production, and optimizing manufacturing conditions to improve the yield rate and efficiency.
- Will continue to increase IC substrate capacities and complete the expansion on time.
  - Shulin Campus ABF Substrate Expansion Phase 1: Expected to operate in 2023Q1
  - Kunshan Campus ABF Substrate Expansion Phase 2: Expected to operate in 2023Q1
  - Shulin Campus ABF Substrate Expansion Phase 2: Expected to operate in 2024Q1
- Will continue to implement ESG projects, and set the SBT to reduce emission.



# Thank You

